The Evolution of Investment Management

Varium Investment Partners

(Varium = Latin for “Different”)

Varium Investment Partners Investment Process

Full Service, Institutional Level Investment Management Solutions to Independent Investment Advisors.

- "In-Sourced", Advisor-owned Chief Investment Officer
- Complete, "End-to-End" Investment Solution
- Open Architecture
- Results based, Objective, and Timely Investment Solutions

The Solution to Inferior Investment Products and Value Destruction

Replace the sub-optimal, value destroying, costly traditional investment solutions for the Partnership that turns your investment expense into a massive asset.

Reclaim your time and focus on what drives your bottom line, world-class client service and business development.

VARIUM INVESTMENT PARTNERS

We have created a unique and innovative partnership between investment management professionals and growth-oriented RIAs to maximize both the value and efficiency of the Investment Management Solutions Advisors employ on behalf of their clients.

VARIUM INVESTMENT PARTNERS

Advisors traditionally employ third-party solutions - Mutual Funds, SMAs, TAMPS, OCIOs, LPs, Etc. in the management of Advisory clients' assets.

In doing so, Advisors gain access to expert level networks of investment professionals and solutions, but at a steep cost….

Advisors transfer billions of dollars of economic value to these third party investment solutions, often with poor or sub-optimal investment results.

VARIUM INVESTMENT PARTNERS

The Varium Investment Partners model solves 2 primary problems facing advisors:

1. **Valuation** - Maximizing Advisors' firm ROI by capturing and monetizing the "lost value" transferred to third party investment solutions
2. **Investments** - Poor or inefficiently designed and/or managed investment processes resulting in poor investment results.

VARIUM INVESTMENT PARTNERS - SOLUTIONS

Investments –

In close collaboration with internal RIA teams, our team of highly credentialed and experienced institutional portfolio managers and strategists develop or refine investment offerings as an “In-Sourced” CIO solution.

“In-Sourced” Chief Investment Officer

Unlike Outsourced, Third-Party, Mass Market solutions, our solution focuses partnering with 10-12 RIA firms to deliver a differentiated, customized investment solutions that frees the RIA from costly, time consuming, resource demanding investment solutions and implementation, while creating a valuable asset previously unavailable to any advisor.

“In-Sourced” Chief Investment Officer

What is an “In-Sourced” Chief Investment Officer

1. Exclusive – Partner with 10-12 RIA Firms Nationwide
2. Focused – Complete Focus on Investments
3. Attentive – 24/7/365 Availability
4. Team Approach – Highly Credentialed, Multi-Person Investment Team
5. Stable – Offers Permanence versus Hiring an Employee Who May Leave
6. Differentiated – Highly Differentiated Investment Offering includes Value-Added Solutions like Covered Call and Portfolio Protection Strategies, as well as Alternatives.
7. Complete Solutions – End-to-End Strategy, Due Diligence, and Implementation of the Investment Process

“In-Sourced” Chief Investment Officer

We offer an Institutional level, professionally managed, efficiently implemented, value-added, complete investment strategy and implementation service. We seek to provide advisors a better investment strategy and results; and the most precious of all assets – More Time.

“In-Sourced” Chief Investment Officer

To that end, we differentiate ourselves by what we are not:

We are not a partial solution:

No models to implement

No manager due diligence to conduct

No rebalancing to maintain

No reporting to produce……

No action at all required to manage your client assets.

“In-Sourced” Chief Investment Officer

To that end, we differentiate ourselves by what we are not:

- We are not a “Lowest Common Denominator” Solution
    - Limited Number of RIA Partners
    - High-Quality, High Growth Oriented RIA Partners
    - Focus on “Boutique” Third Party Managers
    - Value-Added Investment Strategies
        - Covered Call Strategies
        - Portfolio Protection Strategies
        - Low Turnover, Tax Efficient Portfolios
        - Alternatives

Investment Management Services

A complete, "End-to-End" Investment Strategy, Implementation, Monitoring, Rebalancing, and Reporting Service

Asset Allocation

- Strategic and Tactical Asset Allocation Strategies
- Risk/Reward based investment Strategy
- Multiple Risk Based Strategies
- Custom Allocations based on specific client needs

Investment Strategy

- Research global markets, sectors, and industries to allocate capital to with efficiency

Manager Search and Vetting

- Proprietary process for discovering, vetting, and monitoring the universe of investment managers across strategies.

Implementation and Rebalancing

Monitoring and Reporting

Investment Management Solutions

Varium Investment Partners utilizes multiple investment solutions dependent on portfolio size, the client's investment goals and risk tolerances, and cost/benefit analysis to populate our asset allocation models

- **Actively Managed Portfolios - SMA/UMA Strategies**
- **Index and Exchange Traded Funds**
- **Options and Portfolio Hedging**
- **Alternative Investments**
- **Customized Portfolios**

Investment Management Implementation

Efficient Implementation

Varium has the expertise and strategic partnerships that provide superior execution, institutional pricing, and product guidance that lead to better performance outcomes. We understand value and have the experience to circumvent the inefficiencies of the markets.

Tax Efficient Implementation

Low turnover third party managers, strategies designed for taxable accounts to minimize tax consequences and maximize after-tax returns. SMA managers are selected so clients can benefit from tax loss harvesting and other portfolio level tax management strategies

Performance Based Fee Structure

Value added services like covered call strategies differentiate advisors from their competitors. Varium takes that one step further and guarantees that we will generate option premium in excess of the fee we charge, or we rebate the difference.

Custodian Agnostic

We work with the major custodians, so no need to change custodians or sign new contracts

Investment Management Implementation

From a valuation perspective, there is little to argue against the Varium model, but value in the absence of capability to deliver means nothing.

To that end we have accumulated a talented, experienced, well-credentialed, and professional group of investment management professionals with a breadth and depth of expertise and knowledge that compares to firms much larger.

Investment Team

- 130 years of combined Financial Services Industry Experience in Portfolio Management, Investment Strategy, Research, Trading, and Client Service. Experience through Different Economic and Market Cycles and across Multiple Investment Styles and Products.
- Experienced and Consistent Portfolio Management with a Proven Record of Achievement and Success in Multiple Investment Disciplines.
- Deep and Diversified Expertise in Equity and Fixed Income Markets
- Highly Credentialed with Experience in Fundamental, Quantitative, and Technical Research, Trading, and Investment Management.
- Proven Teamwork - Investment Team Members have Successfully Worked With at least one other Member of the Team.

Investment Team

CHRISTIAN R. HYLDAHL, CFA

- 26 years of Portfolio Management, Investment Strategy, and Research Experience across Multiple Investment Styles and Products.
- Consistently a Top Portfolio Manager in Multiple Equity Categories
- Value Equity Investment Specialist – Domestic and International Equity
- Chartered Financial Analyst (CFA)
- Candidate for Level Three Chartered Market Technician (CMT)
- MBA, Finance and Economics, Fuqua School of Business, Duke University
- London School of Economics, Specialized Program in International Economics and Asset Management
- Bachelor of Arts, English and History, Cum Laude, Bucknell University

Investment Team

GERALD W. BUETOW, Ph.D., CFA, CIPM

Chief Investment Officer

- 26 years of Portfolio Management, Investment Strategy, Fundamental and Quantitative Research Experience Across Multiple Styles, Asset Classes, and Products
- Extensive Experience as both a Chief Investment Officer, Director of Research, and Asset Allocation Specialist running a multi-billion dollar Asset Allocation Portfolios for a large Mutual Fund Complex
- Former chaired Professor of Finance at James Madison University
- Visiting Professor at both George Washington University and Washington and Lee University
- Former Vice President of Curriculum Development, CFA Institute
- Served in the US Navy in the Nuclear Power Program
- Chartered Financial Analyst, Certificate in Investment Performance Measurement
- Ph.D. Finance and Econometrics, Masters of Science, Economics, Bachelor of Science, Electrical Engineering, Lehigh University
- Masters of Science, Economics, University of Texas, Dallas
- Multiple Publications across both practitioner and academic peer-reviewed journals

Investment Team

BERND HANKE, Ph.D., CFA

Head of Quantitative Research & Asset Allocation

- 21 years of Portfolio Management, Fundamental and Quantitative Research across multiple styles and products.
- Former Head of International Research, Quantitative Equity Group, Goldman Sachs Asset Management. Oversaw Research on Investment Factors, Enhancement and Implementation of Proprietary Risk Models, Development and Implementation of Global Industry/Sector Rotation Strategy
- Chartered Financial Analyst
- Institute for Quantitative Investment Research (INQUIRE UK)
- Ph.D., Finance, London Business School, London, UK
- Bachelor of Science, Quantitative Finance and Mathematics, James Madison University

Investment Team

BRIAN FISCHER, CFA

Head of Alternatives and Private Equity Research

- 32 years of Portfolio Management, Fundamental and Quantitative Investment Research, and Risk Management across multiple styles and products.
- Former Leader of the Washington State Investment Board's Private Market Asset Allocation and Risk Management group. Initiated and performed risk management research and investment due diligence on private market funds. Led the Innovation Portfolio, a fund in which unique investment ideas and opportunities are explored and incubated
- Chartered Financial Analyst
- Masters of Business Administration, the Fuqua School of Business, Duke University
- Bachelor of Science, Cum Laude, Business Administration, Villanova University

Investment Team

JON BARTHOLOMEW, CPA

Chief Financial Officer

- 16 years of Accounting, Risk Management, Cost-Benefit Analysis, and Budget Management in Registered Investment Advisors and Independent Broker-Dealers
- Director of Finance and Senior Consulting Positions within Nationally Recognized Investment Management, Accountancy, and Consulting Firms
- Certified Public Accountant - Pennsylvania
- Masters of Business Administration, Pennsylvania State University
- Bachelor of Science, Accounting, Susquehanna University

Business Development

SCOTT HILL

Head of Business Development & Advisor Partnerships

- 27 years of Business Management, Business Development, and Business Ownership experience.
- Extensive experience in small business mergers, acquisitions, and exits.
- Bachelor of Arts, Business Concentration, Columbia University
- D1AA Football - Connie S. Maniatty Award Recipient
- A dedicated community volunteer. Has served as President of a local youth sports organization. Has coached over 50 youth sports teams since 2000. Active in church. Husband and father

Your Investment Team

- RIA Partners can market the Varium Team as part of their firm as their "Investment Team" on website.
  - Immense advantage over local competition for new clients
  - Potential to attract other advisors to your practice
- On-Demand phone support for investment related questions and marketing support
- Availability to speak at conferences and client events
- Availability to meet with high potential, high net worth clients and prospects to help accelerate your AUM growth
- Zero cost to your firm

To explore options for becoming a Varium Investment Partners owner and RIA Partner, please contact:

Scott Hill, Head of Business Development & Advisor Partnerships
swhill@variumip.com
615-337-8127